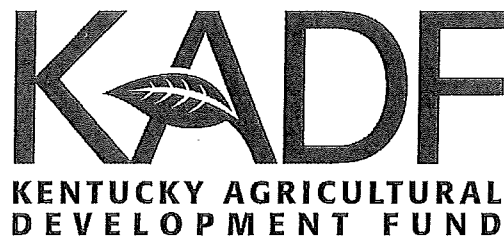


The actions delineated below were taken in open session of the Kentucky Agricultural Development Board at the October 16, 2015 regular business meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Governor's Office of Agricultural Policy, 404 Ann Street, Frankfort, Kentucky 40601.



**Kentucky Agricultural Development Board  
Summary Minutes of the Regular Business Meeting  
Franklin County Cooperative Extension Office  
Frankfort, Kentucky  
October 16, 2015**

**Call to Order**

Warren Beeler, presiding, called the Kentucky Agricultural Development Board (KADB) regular business meeting to order at 10:09 a.m. (EDT)

**Roll Call**

The following members were present: Wayne Hunt, Dr. Betty Bailey, Wayne Mattingly, Pat Henderson, Jim Sidebottom, Troy Rankin, Don Goodin (designee for Secretary Larry Hayes), Sam Moore, KSU President Raymond Burse, Dean Nancy M. Cox, Jim Mahan, and Warren Beeler (designee for Commissioner James R. Comer)

Members absent: Jamie Link, Roy Collins, Sam Lawson, Karen Curtis.

**Notification of Media**

Mr. Beeler received verification from Angela Blank, GOAP Director of Public Affairs/Public Relations, that the media had been notified of the KADB monthly meeting.

**Welcome**

Mr. Beeler welcomed everyone to the meeting.

**Approval of Minutes**

Mr. Beeler entertained a motion to approve the minutes of the September 18, 2015 board meeting.

Mr. Sidebottom moved to approve the minutes, as presented; Dr. Cox seconded the motion.

VOTE: Motion Passed; Unanimous.

**Executive Directors Report**

Mr. Beeler yielded the floor to Roger Thomas, GOAP Executive Director, to give his report to the board.

Mr. Thomas called on Aleta Botts, Executive Director, Kentucky Center for Agricultural and Rural Development (KCARD), and John McCauley, USDA Farm Service Agency (FSA) State Executive Director, to update the board regarding the activities of their organizations since the last board meeting.

Mr. Thomas called on Bill McCloskey, GOAP Director of Financial Services, to review the Kentucky Agricultural Finance Corporation (KAFC) Statement of Financial Position (*on file with the Boards Coordinator*) as of September 30, 2015.

After the review, Mr. McCloskey announced that the next scheduled KAFC Board meeting will be held on Friday, November 6, 2015, at 10:00 a.m. (EST) in room C109 of the Transportation Cabinet building in Frankfort.

Mr. Henderson moved to accept the KAFC Financial Report; Mr. Mattingly seconded the motion.

VOTE: Motion Passed; Unanimous.

Mr. Thomas referenced a memo (*on file with the Boards Coordinator*) from Angela Blank, Director of Public Affairs/Public Relations, summarizing the value of the Kentucky Broadcasters Association Public Education Partnership (PEP) program for August 2015.

Mr. Thomas referenced the 2015 GOAP Annual Report (*on file with the Boards Coordinator*) and thanked staff members involved in its preparation.

## Reports

### Recipient Review Committee Reports

Mr. Beeler stated that four Recipient Review Committees met earlier in the morning to review 3rd quarter 2015 reports (*on file with the Director of Compliance*) and called on each committee spokesperson to give an update to the board.

<u>Application #</u>	<u>Recipient</u>	<u>Committee Spokesperson</u>
A2014-0190	Kentucky Beef Network (KBN)	Don Goodin, reporting
A2014-0185	Kentucky Dairy Development Council (KDDC)	Pat Henderson, reporting

Mr. Henderson moved to amend the budget for A2014-0185, reducing funds allocated to the MILK program by \$10,000; increasing funds allocated to insurance and legal expenses by \$5,000; and increasing funds allocated to wages and benefits by \$5,000 to create performance based incentives for KDDC staff. Mr. Moore seconded the motion.

VOTE: Motion Passed; Unanimous.

A2014-0172	Kentucky Horticulture Council (KHC)	Troy Rankin, reporting
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## **Old Business**

### **Memo Action Items**

Mr. Beeler called on staff to present the following memo action items:

#### **A2014-0086 Louisville/Jefferson County Metro Government**

Sandra Gardner, GOAP Director of Compliance & Outreach, presented a memorandum (*on file with the Boards Coordinator*) regarding the above-referenced project. Per the recipient's legal agreement, a presentation was made to the Board on September 18 to provide an update on their activities for the last year. Subsequently, the written annual report was submitted on September 19 for the Board's consideration in releasing second year funding.

After review of the written report, staff recommends releasing the remaining \$60,000 to the Louisville/Jefferson County Metro Government for the second year of the Louisville Farm to Table project.

Mr. Mattingly moved to approve the staff recommendation, as presented; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

#### **A2015-0106 Cumberland Agricultural Management, LLC**

Dr. Luther Hughes, GOAP Project Manager, presented a memorandum (*on file with the Boards Coordinator*) regarding the above-referenced project. Since the August 21, 2015 approval of the project, the Clinton County Agricultural Development Council approved, and gave high priority to providing, additional funding in the amount of \$2,500 in Clinton County funds.

Staff recommended approval of the request, increasing the grant total from \$100,000 to \$102,500 and applying those funds to reduce the cost-reimbursement loan from \$255,000 to \$252,500.

Mr. Rankin moved to approve the staff recommendation, as presented; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

## **New Business**

### **2016 Program Review & Proposed Revisions**

Mr. Beeler called on Mr. Neaveill to introduce Ms. Gardner to present the suggested changes to KADF program guidelines for 2016. Mr. Neaveill recognized the work of GOAP staff to gather feedback from county administrators and stated that the

suggested revisions represent an effort to improve programs through increased integrity and transparency.

### **Deceased Farm Animal Removal**

Ms. Gardner outlined one (1) proposed revision to the Deceased Farm Animal Removal (DAR) program guidelines. (*Information on proposed change on file with the Boards Coordinator*)

Staff recommended approval of the proposed DAR guidelines change.

Dr. Bailey moved to approve the staff recommendation, as presented; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous.

### **Shared-Use Equipment Program**

Ms. Gardner outlined three (3) proposed revisions to the Shared-Use Equipment Program guidelines. (*Information on proposed changes on file with the Boards Coordinator*)

Staff recommended approval of the proposed Shared-Use Equipment Program guidelines changes.

Dr. Bailey moved to approve the staff recommendation, as presented; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous.

### **On-Farm Energy Efficiency Incentives**

Ms. Gardner outlined two (2) proposed revisions to the On-Farm Energy Efficiency Program guidelines. (*Information on proposed changes on file with the Boards Coordinator*)

Staff recommended reauthorization of the On-Farm Energy Efficiency Program for 2016, \$500,000 in funding for the 2016 program, and approval of the proposed guidelines changes.

After discussion, Mr. Sidebottom moved to approve the staff recommendations, as presented; Mr. Moore seconded the motion.

VOTE: Motion Passed; Unanimous.

### **CAIP Standard Guidelines**

Ms. Gardner outlined seventeen (17) proposed revisions to the County Agricultural Investment Program (CAIP) standard guidelines. (*Information on proposed changes on file with the Boards Coordinator*)

Staff recommended approval of the proposed CAIP standard guidelines changes.

After discussion, Mr. Henderson moved to approve the staff recommendation, as presented; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

### **CAIP Producer Application**

Ms. Gardner outlined seven (7) proposed revisions to the County Agricultural Investment Program (CAIP) producer application guidelines. (*Information on proposed changes on file with the Boards Coordinator*)

Staff recommended approval of the proposed CAIP producer application guidelines changes.

After discussion, Dr. Bailey moved to approve the staff recommendation, pending revision; Mr. Sidebottom seconded the motion.

VOTE: Motion Passed; Unanimous.

### **CAIP Investment Areas**

Ms. Gardner outlined four (4) proposed revisions to the County Agricultural Investment Program (CAIP) investment areas guidelines. (*Information on proposed changes on file with the Boards Coordinator*)

Staff recommended approval of the proposed CAIP investment areas guidelines changes.

Dr. Bailey moved to approve the staff recommendation, as presented; Mr. Mahan seconded the motion.

VOTE: Motion Passed; Unanimous.

### **Pilot Garden Project**

Ms. Gardner outlined proposed guidelines for a Garden Pilot Project designed to allow the Kentucky Agricultural Development Board to emphasize education and the promotion of locally grown foods through community gardening. (*Garden Pilot Project guidelines are on file with the Boards Coordinator*)

Staff recommended approval of the proposed Garden Pilot Project guidelines.

Mr. Goodin moved to approve the staff recommendation, as presented; Mr. Mahan seconded the motion.

VOTE: Motion Passed; Unanimous.

Mr. Moore moved to modify all project guidelines to require that applicants awarded any type of loan (forgivable, zero interest, etc.) sign a personal guarantee. Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

### **New Application for Referral<sup>1</sup>**

Mr. Beeler called on Mr. Thomas to present a new application for referral.

Mr. Thomas referenced one (1) application for referral.

Dr. Bailey moved to refer the submitted application to the Blue Application Review Committee; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous.

### **Programs Recommended for Approval<sup>2</sup>**

Mr. Beeler called on Mr. Thomas to present the programs recommended for approval.

Mr. Thomas referenced six (6) County Agricultural Investment Program (CAIP) applications requesting county funds totaling \$860,870; two (2) Deceased Farm Animal Removal (DAR) applications requesting county funds totaling \$9,375 and one (1) Shared-Use Equipment Program application requesting county funds totaling \$2,362. Total program funding requested \$872,607.

Mr. Sidebottom moved to approve the program recommendations, as presented; Mr. Rankin seconded the motion.

VOTE: Motion Passed; Unanimous.

### **Requested Program Amendments<sup>3</sup>**

Mr. Beeler called on Mr. Thomas to present requested program amendments.

Mr. Thomas referenced two (2) CAIP Amendments requesting additional county funds totaling \$124,529.

Mr. Sidebottom moved to approve the program amendment, as presented; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

### **Project Recommendations for Funding**

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<sup>1</sup> A detailed list of New Applications for Referral is attached as Appendix A.

<sup>2</sup> A detailed list of projects funded under the County Agricultural Investment Program and Deceased Farm Animal Removal Program is attached as Appendix B.

<sup>3</sup> A detailed list of County Agricultural Investment Program amendments is attached as Appendix C.

Mr. Beeler called on Dr. Luther Hughes, Project Manager, to present the following recommendations for funding:

**A2015-0149                      Kentucky State University**

Dr. Hughes referenced the above application from Kentucky State University, requesting \$1,130,000 in State funds over a two year period for personnel, demonstration projects, and mini-grants to underserved small and limited-resource farmers.

The White Application Review Committee recommended funding the request in the reduced amount of \$990,000 in State funds over a two year period, subject to terms and conditions.

Mr. Hunt moved to approve the committee recommendation; Dr. Bailey seconded the motion.

VOTE: Motion Passed; President Burse abstained.

**A2015-0191                      Knotty Corner Café, LLC**

Dr. Hughes referenced the above application from Knotty Corner Café, LLC requesting \$27,048 in State funds to establish a market and café in Knott County.

The Blue Application Review Committee recommended funding this request in the reduced amount of \$5,000 in State funds, subject to terms and conditions, to purchase locally grown or raised products from Kentucky farmers.

Mr. Mahan moved to approve the committee recommendation; President Burse seconded the motion.

VOTE: Motion Passed; Unanimous.

**A2015-0192                      Kentucky Center for Agriculture and Rural Development**

Dr. Hughes referenced the above application from the Kentucky Center for Agriculture and Rural Development (KCARD) requesting \$700,000 in State funds over two years to deliver technical assistance and provide educational opportunities to agricultural and rural businesses.

The Blue Application Review Committee recommended funding this request for \$700,000 in State funds over two years, subject to terms and conditions.

Mr. Henderson moved to approve the committee recommendation; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

**Project Recommendation for No Funding**

Mr. Beeler called on Dr. Luther Hughes, Project Manager, to present the following recommendation for no funding:

**A2015-0081            The Center for Appalachian Philanthropy**

Dr. Hughes referenced the above application from The Center for Appalachian Philanthropy d/b/a Kentucky Market Pavilion requesting \$20,000 in State funds and \$20,000 in Bath County funds to provide aggregating and processing of locally grown produce.

The White Application Review Committee recommended no funding the request as the organization is no longer in existence; and the author of the application resigned and moved out of state.

Dr. Bailey moved to approve the committee recommendation; Mr. Sidebottom seconded the motion.

VOTE: Motion Passed; Unanimous.

**Pending Applications**

Mr. Beeler called on Joel Neaveill, GOAP Chief of Staff to review the following pending applications:

A2015-0143	Franklin County Conservation District
A2015-0148	Breckinridge County Extension District Board

No action necessary.

**Closing Remarks**

Mr. Beeler thanked the board members for their work.

**Adjournment**

Mr. Beeler entertained a motion to adjourn.

Mr. Mahan moved to adjourn the October KADB meeting; Dr. Bailey seconded the motion.

VOTE: Motion Passed; Unanimous.

The KADB meeting adjourned at 12:25 p.m. (EDT).

APPROVED DATE: 11/20/2015

PRESIDING OFFICER: James Comer

BOARD SECRETARY: Ray Arnold

Ray Arnold



## Appendix A: New Application for Referral

APP #	APPLICANT	COUNTY
A2015-0193	Russell County Cattlemen's Association, Inc. <i>Youth Helper Chain</i>	Russell

## Appendix B: Programs Recommended for Approval

### CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2015-0195	County Agriculture Investment Program Council, Inc.	Russell	\$106,000.00
A2015-0197	Caldwell-Lyon Cattlemen's Association Inc.	Caldwell	\$69,854.00
A2015-0198	Bullitt County Cattlemen's Association, Inc.	Bullitt	\$100,000.00
A2015-0200	Robertson County Soil Conservation District	Robertson	\$306,638.00
A2015-0201	Kenton County Farm Bureau, Inc.	Kenton	\$110,435.00
A2015-0203	Carroll County Conservation District	Carroll	\$167,943.00
			<b>\$860,870.00</b>

### Deceased Farm Animal Removal Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2015-0199	Bullitt County Conservation District	Bullitt	\$1,875.00
A2015-0202	Shelby County Fiscal Court	Shelby	\$7,500.00
			<b>\$9,375.00</b>

### Shared-use Equipment

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2015-0196	Marion County Extension District Building Foundation, Inc.	Marion	\$2,362.00
			<b>\$2,362.00</b>

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Total County Funds Recommended for Approval in Programs: **\$872,607.00**

**Appendix C: Requested Program Amendments**

**App #** A2014-0241  
**Applicant Name** Hardin County Extension District Board  
**Original Amount Approved** \$130,000  
**Execution Date** 12/30/14  
**Requested Change** The applicant requests an additional \$54,529 in Hardin County funds for the *CAIP program*. The request received a high priority from the Hardin County Council.  
This is the second request for an amendment to this application number. The first amendment request was for \$100,000. The term of the program shall remain 12-months from the execution date of the original agreement.  
Approval of this request would bring the program total to \$284,529.  
**Recommend Approval**

**App#** A2015-0026  
**Applicant Name** Jessamine County FFA Alumni Association Inc.  
**Original Amount Approved** \$100,000  
**Execution Date** 6/01/15  
**Requested Change** The applicant requests an additional \$70,000 in Jessamine County funds for the *CAIP program*. The request received a high priority from the Jessamine County Council.  
This is the first request for an amendment to this application number. The term of the program shall remain 12-months from the execution date of the original agreement.  
Approval of this request would bring the program total to \$170,000.  
**Recommend Approval**